

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
NEW ALBANY DIVISION

IN RE:)
)
EASTERN LIVESTOCK CO., LLC,) Case No. 10-93904-BHL-11
)
Debtor.)

**EIGHTH INTERIM AND FINAL APPLICATION OF KROGER, GARDIS & REGAS, LLP
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES
AS SPECIAL COUNSEL TO CHAPTER 11 TRUSTEE**

Kroger, Gardis & Regas, LLP ("KGR"), as special counsel to James A. Knauer, the Chapter 11 trustee appointed in this case ("Trustee") hereby makes its Eighth Interim and Final Application ("Application") for the allowance and payment of its fees incurred as special counsel to the Trustee and for reimbursement of out-of-pocket expenses advanced by KGR. In support of this Application, KGR states as follows:

1. Petitioning creditors commenced the above-captioned Chapter 11 case ("Chapter 11 Case") against Debtor on December 6, 2010 ("Petition Date") by filing an involuntary petition for relief under Chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. ("Bankruptcy Code"). This Court entered its *Order For Relief In An Involuntary Case And Order To Complete Filing* on December 28, 2010 (ECF No. 110).

2. On December 27, 2010, the Court entered its *Order Approving The Appointment Of James A. Knauer As Chapter 11 Trustee* (ECF No. 102), ("Trustee Order"), approving the United States Trustee's *Notice Of Appointment And Application for Order Approving Appointment of Trustee* (ECF No. 98) pursuant to 11 U.S.C. § 1104.

3. On February 12, 2012, the Trustee filed his *Application to Employ Kroger, Gardis & Regas, LLP as Special Counsel to the Trustee*, and attached a proposed letter agreement ("Fee Letter Agreement") detailing fees under which KGR would serve as the Trustee's special counsel.

4. Following Notice, the Court entered its *Order Granting Application to Employ Kroger, Gardis & Regas, LLP as Special Counsel to the Trustee* on March 13, 2012, pursuant to the terms of the Fee Letter Agreement attached to the Application.

5. Following the entry of the Court's Order, KGR has acted as special counsel to the Trustee in the investigation of various claims on behalf of the Debtor's bankruptcy estate, and has pursued avoidance actions, promissory note collection cases, and foreclosure actions on behalf of the Trustee and the estate.

6. This Application seeks final allowance of the fees and expenses approved by this Court on an interim basis for the time period February 21, 2012 through October 31, 2017 (the "Interim Compensation Period"); final allowance of the fees and expenses charged and incurred by the Trustee since his last application period which ended on July 31, 2016 (the "Current Compensation Period"); and an order directing that all amounts approved by this Court and remaining unpaid or not reimbursed to the Trustee be paid by the Trustee.

7. KGR has performed a variety of services on behalf of the Trustee, all of which are described in detail in the billing statements attached as **Exhibit A**.

8. The Fee Letter Agreement between the Trustee and KGR sets forth a fee arrangement whereby:

(a) KGR's attorneys would charge an hourly rate of \$175.00 per hour (well below KGR's normal rates in matters such as these);

(b) KGR would also be entitled to seek the greater of its hourly rate or a contingent fee of 25% (less its hourly rate) in the event of any recovery, provided that the contingency fee, as to any individual matter, does not exceed 2 1/2 times KGR's standard hourly rates.

9. **Exhibit A** provides the detail of the time for each attorney and paralegal in each case being handled by KGR, as well as time expended in the general litigation of these matters. **Exhibit B** provides a summary worksheet of the time in each of these cases. A summary of the fees requested by KGR, including the number of hours worked, the billing rate requested and the total fees claimed, is set forth below:

Attorney	Rate	Hours	Value
Harley K. Means	\$175.00	26.10	\$4,567.50
Amanda D. Stafford	\$175.00	6.20	\$1,085.00
Steven E. Runyan	\$175.00	60.30	\$7,537.50
Christopher H. Park	\$175.00	4.20	\$735.00
Tammy J. Froelich (paralegal)	\$125.00	4.60	\$805.00
Total		101.40	\$14,730.00

10. KGR has advanced the sum of \$226.67 for out-of-pocket expenses incurred in connection with this case during the Current Compensation Period. A summary of the out-of-pocket expenses incurred by the Trustee is set forth at **Exhibit C**.

11. This Application is the eighth interim and final application of KGR for compensation. Previously the Court has awarded compensation and reimbursement of expenses to KGR as follows:

(a) Pursuant to the *Order Granting First Interim Application of Kroger, Gardis & Regas, LLP for Compensation and Reimbursement of Expenses as Special Counsel to Chapter 11 Trustee* (ECF No. 1650) ("First Interim Compensation Order"), the Court approved KGR's hourly fees and expenses incurred, and contingent fees earned, for the period February 21, 2012 through and including October 31, 2012, in the amounts of \$45,287.50, \$670.61 and \$8,804.65 respectively. KGR has been paid \$54,762.80 on account of the fees and expenses approved by the First Interim Compensation Order.

(b) Pursuant to the *Order Granting Second Interim Application of Kroger, Gardis & Regas, LLP for Compensation and Reimbursement of Expenses as Special Counsel to Chapter 11 Trustee* (ECF No. 2346) ("Second Interim Compensation Order"), the Court approved KGR's hourly fees and expenses incurred for the period November 1, 2012 through and including February 28, 2013 in the amounts of \$167,927.50 and \$1,833.89 respectively. KGR has been paid \$136,175.89 on account of the fees and expenses approved by the Second Interim Compensation Order.

(c) Pursuant to the *Order Granting Third Interim Application of Kroger, Gardis & Regas, LLP for Compensation and Reimbursement of Expenses as Special Counsel to Chapter 11 Trustee* (ECF No. 2422) ("Third Interim Compensation Order"), the Court approved KGR's hourly fees and expenses incurred for the period March 1, 2013 through and including August 31, 2013 in the amounts of \$246,132.50 (Fees) and \$1,919.43 (Expenses) and the contingent fee award of \$73,756.26, totaling \$321,808.19. KGR has been paid \$257,830.44 on account of the fees and expenses approved by the Third Interim Compensation Order.

(d) Pursuant to the *Order Granting Fourth Interim Application of Kroger, Gardis & Regas, LLP for Compensation and Reimbursement of Expenses as Special Counsel to Chapter 11 Trustee* (ECF No. 2616) ("Fourth Interim Compensation Order"), the Court approved KGR's hourly fees and expenses incurred for the period September 1, 2013 through and including April 30, 2014 in the amounts of \$214,612.50 (Fees) and \$3,639.71 (Expenses). KGR has been paid \$175,329.71 on account of the fees and expenses approved by the Fourth Interim Compensation Order.

(e) Pursuant to the *Order Granting Fifth Interim Application of Kroger, Gardis & Regas, LLP for Compensation and Reimbursement of Expenses as Special Counsel to Chapter 11 Trustee* (ECF No. 2684) ("Fifth Interim Compensation Order"), the Court approved KGR's hourly fees and expenses incurred for the period May 1, 2014 through and including October 31, 2014 in the amounts of \$174,083.50 (Fees) and \$1,691.23 (Expenses). KGR has been paid \$143,674.93 on account of the fees and expenses approved by the Fifth Interim Compensation Order.

(f) Pursuant to the *Order Granting Sixth Interim Application of Kroger, Gardis & Regas, LLP for Compensation and Reimbursement of Expenses as Special Counsel to Chapter 11 Trustee* (ECF No. 2815) ("Sixth Interim Compensation Order"), the Court approved KGR's hourly fees and expenses incurred for the period November 1, 2014 through and including August 31, 2015 in the amounts of \$96,032.50 (Fees) and \$3,060.62 (Expenses). KGR has been paid \$79,888.62 on account of the fees and expenses approved by the Fifth Sixth Compensation Order.

(g) Pursuant to the *Order Granting Seventh Interim Application of Kroger, Gardis & Regas, LLP for Compensation and Reimbursement of Expenses as*

Special Counsel to Chapter 11 Trustee (ECF No. 2815) (“Seventh Interim Compensation Order”), the Court approved KGR’s hourly fees and expenses incurred for the period September 1, 2015 through July 31, 2016 in the amounts of \$33,615.00 (Fees) and \$1,681.44 (Expenses). KGR has been paid \$35,296.44 on account of the fees and expenses approved by the Seventh Compensation Order.

12. KGR requests final compensation for all monies that were previously part of the 20% Hold Back for the Interim Compensation Period.

<u>Fee Application</u>	<u>App. Fee</u>	<u>Cont. Fee</u>	<u>App. Exp.</u>	<u>20%Hold Back</u>
1st Fee App	\$45,287.50	\$8,804.65	\$670.61	
2nd Fee App	\$167,927.50	\$0.00	\$1,833.89	\$33,585.50
3rd Fee App	\$246,132.50	\$73,756.26	\$1,919.43	\$49,226.50
4th Fee App	\$214,612.50	\$0.00	\$3,639.71	\$42,922.50
5th Fee App	\$160,147.50	\$13,935.00	\$1,621.93	\$32,029.50
6th Fee App	\$96,032.50	\$0.00	\$3,060.62	\$19,206.50
7th Fee App	\$33,615.00	\$0.00	\$1,681.44	\$6,723.00

13. No agreement or understanding exists between KGR and any other person or entity for the sharing of compensation received for services rendered in connection with this case.

14. All services rendered and all expenses incurred for which compensation or reimbursement is sought have been rendered or incurred exclusively by KGR and represent necessary and proper services rendered in the administration of this Chapter 11 Case.

15. All contested disputes have been resolved or resolutions are pending before this Court and the Trustee continues to collect settlement payments for determining a final distribution to creditors. KGR will continue to provide certain limited services to the Trustee following this final Application to complete this Chapter 11 Case including seeking a final decree and closure of this Chapter 11 Case. Such fees and expenses incurred after this final Application shall be considered for payment by the Trustee and paid from the assets of the estate without further Court review.

THEREFORE, Kroger, Gardis & Regas, LLP requests (i) the Court award the amount of \$183,693.50 as final compensation relating to the 20% Holdback during the Interim Compensation Period; (ii) the Court award compensation to Kroger, Gardis & Regas, LLP on account of its actual and necessary hourly fees in the amount of \$14,730.00 plus reimbursement for out-of-pocket expenses incurred in the amount of \$226.67 for the Current Compensation Period and (ii) grant the Trustee all other just and proper relief.

Respectfully submitted,

KROGER, GARDIS & REGAS, LLP

/s/ Harley K. Means
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CERTIFICATE OF SERVICE

I hereby certify that on November 6, 2017, a copy of the foregoing pleading was filed electronically. Notice of this filing will be sent to the following parties through the Court's Electronic Case Filing System. Parties may access this filing through the Court's system.

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